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**Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: Financing of the United Nations peacekeeping operations**

# Review of the rates of reimbursement to the Governments of troop-contributing States

## Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the review of the rates of reimbursement to the Governments of troop-contributing States (A/54/763). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. By its resolution 51/218 E of 17 June 1997, the General Assembly requested the Secretary-General to carry out a new survey of troop-contributing States, as suggested in paragraph 12 of the report of the Advisory Committee of 6 August 1996 (A/50/1012). For the purpose of the survey, cost information based on military salary scales in effect as of December 1996 was requested from the 64 Member States providing troops and military observers to United Nations peacekeeping operations at that time. Of the 64 Member States surveyed, 38 replies were received, of which 7 were not in conformity with the guidelines and therefore could not be utilized in the analysis. Of the remaining 31 States, 26 were providing troops in December 1996, and 6 of those were also providing military observers. The remaining five States were providing military observers only.

3. As indicated in paragraphs 18 to 21 of the report of the Secretary-General, the average of the costs reported by the 26 troop-contributing Member States for pay and allowances in December 1996 ranged between $774 and $10,778 per person per month, with an overall average of $3,806 and a median of $2,812. In comparison, the previous survey, carried out in 1991, comprising replies from 17 States, indicated an overall average cost of $3,611 and a median of $3,560. The 1996 survey showed that the average cost per person per month of the usage factor for personal clothing, gear and equipment, and personal weaponry (including

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ammunition) issued by the troop-contributing States to their personnel ranged from $110 to $966, with an overall average cost of $490 and a median cost of $418, whereas the 1991 survey indicated an overall average cost of $213 and a median cost of $195.

4. As indicated in paragraph 22 of the report, the cost information from the 11 States providing military personnel other than troops showed that the average total cost incurred by those States for the provision of such personnel amounted to $6,355 per person per month, with a median cost of $5,637 per person per month.

5. The results of the review show an average overall absorption factor for 1996 of 53.9 per cent, reflecting an increase of 21.1 per cent over the average absorption factor of 32.8 per cent reported for 1991. The General Assembly may wish to take into consideration the increase since 1991 in the average overall absorption factor and to decide whether an adjustment to the current standard rates of reimbursement for troops is warranted.

6. In paragraph 8 of its report of 6 August 1996 (A/50/1012), the Advisory Committee requested the Secretariat to undertake a complete analysis of all services being provided to troops, together with an indication of the rationale for the provision of each service and how those services are administered and accounted for. The Committee expected that all costs assumed by the Organization vis-à-vis the troops would be taken into account in that analysis. However, in the present analysis, some expenses of the Organization, such as direct payments to military personnel of $1.28 per day per member of a contingent and a leave allowance of $10.50 per day per member of a contingent for up to seven days, have not been reflected. The results of the analysis would also have been significantly affected if an approximation of the average cost of services provided by the United Nations peacekeeping missions per member of a contingent had been included. **The Committee is of the opinion that it would be appropriate to adjust the current methodology of calculating the standard rates of reimbursement to include the direct payments to military personnel mentioned above. Furthermore, there is a strong argument in favour of deducting those amounts from the reimbursements to troop-contributing States.**

**7. The Committee also points out that there appear to be a number of inconsistencies in the data provided by troop-contributing States, making a comparative analysis difficult.**

8. The Advisory Committee points out that the data collected for the purposes of the review relate to a situation that obtained in December 1996, almost three and one half years ago. The level of response by troop-contributing States to the 1996 survey was relatively low. Furthermore, the number of troop-contributing States has increased from 64 in 1996 to 83 in 2000. **The Committee invites the General Assembly in future to provide further guidelines with a view to refining the methodology to ensure that more timely and comprehensive data is provided to establish whether a change in the standard rates of reimbursement to troop-contributing States is warranted.**